



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**DAVE GOETZ
COMMISSIONER**

FOR IMMEDIATE RELEASE
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NOVEMBER REVENUES

NASHVILLE – Overall November revenue collections were \$711.9 million, or 13.16 % below November 2007 collections.

"November is the fourth consecutive month this fiscal year in which sales taxes and corporate income taxes have experienced negative growth rates," Finance and Administration Commissioner Dave Goetz said. "We are experiencing an historic revenue shortfall, but we will continue to keep the state's budget in balance, as constitutionally required, during this national economic recession."

On an accrual basis, November is the fourth month in the 2008-2009 fiscal year.

November collections were \$106.3 million less than the budgeted estimate. The general fund was under collected by \$105.4 million and the four other funds were under collected by \$900,000.

Sales tax collections were \$53.6 million less than the estimate for November. The November growth rate was negative 7.64%.

Franchise and excise taxes combined were \$40.0 million below the budgeted estimate of \$60.5 million.

Gasoline and motor fuel collections increased by 6.0% and they were \$2.6 million above the budgeted estimate of \$74.1 million.

Tobacco tax collections were \$3.7 million below the budgeted estimate of \$28.9 million.

Inheritance taxes were under collected by \$3.7 million.

Year-to date collections for four months were \$324.1 million less than the budgeted estimate. The general fund was under collected by \$305.6 million and the four other funds were under collected by \$18.5 million.

The budgeted revenue estimates for 2008-2009 are based on the State Funding Board's consensus recommendation adopted by the second session of the 105th General Assembly in May of 2008.

**REVENUE COLLECTIONS
NOVEMBER, 2008, AND 4 MONTHS YEAR-TO-DATE**

November Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$668,887,000	\$563,479,000	(\$105,408,000)
Highway Fund	58,029,000	58,511,000	482,000
Sinking Fund	26,131,000	25,699,000	(432,000)
City & County Fund	64,242,000	63,270,000	(972,000)
Earmarked Fund	891,000	893,000	2,000
Total	\$818,180,000	\$711,852,000	(\$106,328,000)

Year-To-Date Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$2,889,868,000	\$2,584,286,000	(\$305,582,000)
Highway Fund	235,854,000	231,963,000	(3,891,000)
Sinking Fund	104,979,000	103,749,000	(1,230,000)
City & County Fund	258,697,000	245,324,000	(13,373,000)
Earmarked Fund	3,566,000	3,566,000	0
Total	\$3,492,964,000	\$3,168,888,000	(\$324,076,000)

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	November			
	2007	2008	Change	Percent
Franchise & Excise	\$81,954,000	\$20,509,000	(\$61,445,000)	-74.97%
Income	701,000	892,000	191,000	27.25%
Inheritance & Estate	5,175,000	4,856,000	(319,000)	-6.16%
Gasoline	50,778,000	56,140,000	5,362,000	10.56%
Petroleum Special	5,543,000	5,757,000	214,000	3.86%
Tobacco	26,590,000	25,146,000	(1,444,000)	-5.43%
Beer	1,613,000	1,461,000	(152,000)	-9.42%
Motor Vehicle Registration	18,112,000	15,582,000	(2,530,000)	-13.97%
Motor Vehicle Title	799,000	662,000	(137,000)	-17.15%
Mixed Drink	4,595,000	4,541,000	(54,000)	-1.18%
Business	913,000	1,804,000	891,000	97.59%
Privilege	21,544,000	14,898,000	(6,646,000)	-30.85%
Gross Receipts	26,000	22,000	(4,000)	-15.38%
TVA - In Lieu of Tax Payments	22,011,000	24,014,000	2,003,000	9.10%
Alcoholic Beverage	3,685,000	3,816,000	131,000	3.55%
Sales and Use	559,374,000	516,641,000	(42,733,000)	-7.64%
Motor Vehicle Fuel	16,035,000	14,793,000	(1,242,000)	-7.75%
Severance	151,000	177,000	26,000	17.22%
Coin-operated Amusement	6,000	2,000	(4,000)	-66.67%
Unauthorized Substance	137,000	139,000	2,000	1.46%
Total	\$819,742,000	\$711,852,000	(\$107,890,000)	-13.16%

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August - November			
	2007-2008	2008-2009	Change	Percent
Franchise & Excise	\$362,508,000	\$261,622,000	(\$100,886,000)	-27.83%
Income	8,317,000	8,884,000	567,000	6.82%
Inheritance & Estate	29,054,000	28,482,000	(572,000)	-1.97%
Gasoline	212,419,000	200,317,000	(12,102,000)	-5.70%
Petroleum Special	22,488,000	20,933,000	(1,555,000)	-6.91%
Tobacco	88,119,000	103,134,000	15,015,000	17.04%
Beer	6,731,000	6,396,000	(335,000)	-4.98%
Motor Vehicle Registration	77,051,000	73,185,000	(3,866,000)	-5.02%
Motor Vehicle Title	3,685,000	3,390,000	(295,000)	-8.01%
Mixed Drink	18,140,000	18,310,000	170,000	0.94%
Business	6,910,000	8,691,000	1,781,000	25.77%
Privilege	96,804,000	72,255,000	(24,549,000)	-25.36%
Gross Receipts	14,105,000	18,880,000	4,775,000	33.85%
TVA - In Lieu of Tax Payments	94,240,000	90,983,000	(3,257,000)	-3.46%
Alcoholic Beverage	13,511,000	14,235,000	724,000	5.36%
Sales and Use	2,278,996,000	2,182,289,000	(96,707,000)	-4.24%
Motor Vehicle Fuel	61,821,000	55,328,000	(6,493,000)	-10.50%
Severance	705,000	991,000	286,000	40.57%
Coin-operated Amusement	46,000	65,000	19,000	41.30%
Unauthorized Substance	865,000	518,000	(347,000)	-40.12%
Total	\$3,396,515,000	\$3,168,888,000	(\$227,627,000)	-6.70%

Table 3
August - November Revenue Overcollections/(Undercollections)
Budgeted Estimate

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Sales Tax	\$ (149,000,000)	\$ 4,100,000	\$ (144,900,000)
Income Tax	900,000	400,000	1,300,000
Inheritance Tax	(3,200,000)	0	(3,200,000)
Privilege Tax	(14,300,000)	0	(14,300,000)
Business Tax	1,600,000	0	1,600,000
TVA	(1,900,000)	(1,500,000)	(3,400,000)
Gross Receipts	1,500,000	0	1,500,000
Gasoline & Motor Fuel Taxes	(900,000)	(17,600,000)	(18,500,000)
Motor Vehicle Registration	(1,000,000)	(3,400,000)	(4,400,000)
Other Taxes	<u>(5,000,000)</u>	<u>(500,000)</u>	<u>(5,500,000)</u>
Tobacco	(4,300,000)	0	(4,300,000)
Beer	(100,000)	(100,000)	(200,000)
Motor Vehicle Title	(400,000)	(100,000)	(500,000)
Mixed Drink	(700,000)	(600,000)	(1,300,000)
Alcoholic Beverage	400,000	100,000	500,000
Severance	100,000	300,000	400,000
Coin Operated Amusement	0	0	0
Unauthorized Substance	0	(100,000)	(100,000)
Sub-Total	<u>\$ (171,300,000)</u>	<u>\$ (18,500,000)</u>	<u>\$ (189,800,000)</u>
F & E Taxes	<u>(134,300,000)</u>	<u>0</u>	<u>(134,300,000)</u>
Total	<u><u>\$ (305,600,000)</u></u>	<u><u>\$ (18,500,000)</u></u>	<u><u>\$ (324,100,000)</u></u>